

Office of Trade Relations Trusted Trader Subcommittee Status Report

General description

Objective/Goal of the Subcommittee:

The objective of this subcommittee is to help advise CBP on trusted trader programs (i.e., a holistic CBP Trusted Trader initiative and the expansion of Customs-Trade Partnership Against Terrorism (C-TPAT)/Authorized Economic Operator (AEO). The goal of the subcommittee is to shift focus on areas under C-TPAT review while CBP is further developing the Trusted Trader test.

Where does it fit in our Trade Transformation Strategy?

- *C-TPAT initiatives:* C-TPAT Exporter Entity
- *Trusted Trader:* Comprehensive Trusted Trader Program integrating supply chain security and trade compliance, Co-Creation Consistency & Harmonization, and Bi-Directional Education.

Chair /Co-Chair Names:

The COAC Trade Co-Chairs are Bill Ferguson, NYK Line North America and Bill Earle, National Association of Beverage Importers. The government subcommittee Co-Chairs are Cynthia Whittenburg, Executive Director, Trade Policy and Programs, Office of International Trade and Michael Denning, Acting Executive Director, Cargo and Conveyance Security, Office of Field Operations.

Number of Participants from COAC:

Eighteen of the twenty COAC members participate on this subcommittee.

Projects under the Subcommittee

The subcommittee met on June 24, 2014, July 23, 2014, August 20, 2014, and September 22, 2014 to discuss the C-TPAT Exporter Entity and the Trusted Trade Program Federal Register Notice and test. The goal of these initiatives are to ensure co-creation of the eligibility requirements, minimum security criteria, and proposed benefits for the C-TPAT Exporter Entity and the Trusted Trader Program test.

- The subcommittee reviewed a C-TPAT Exporter Entity Flyer that was drafted by CBP and submitted questions to be included in a Frequently Asked Questions (FAQ) document they believe would be helpful for the trade in answering any outstanding

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questions about the C-TPAT Exporter Entity. CBP has posted the flyer on CBP.gov and the FAQ document will be posted online soon.

- CBP, in collaboration with the U.S. Consumer Product Safety Commission (CPSC), U.S. Food and Drug Administration (FDA), and and Transportation Security Administration (TSA), will begin the testing of the Trusted Trader program—a new program that will streamline the process through which importers can establish to CBP that they strive to secure their supply chains and strengthen their internal controls for compliance with the existing laws and regulations administered or enforced by CBP. The goals of the Trusted Trader program will be to achieve integrated U.S. government collaborations that result in enhanced efficiencies leading to a reduction in government-wide resource expenditures; enhance information sharing between government agencies; lower the administrative cost of participants by streamlining the application and validation process; and increase the efficiencies in the existing trade programs.

Accomplishments:

The subcommittee has finalized review and provided consolidated comments on the CBP's pre-decisional C-TPAT Exporter Entity Minimum Security Criteria and Eligibility Requirements document. Additionally, the subcommittee has finalized a C-TPAT Exporter Entity flyer and compiled a draft Frequently Asked Questions (FAQ) document to provide a better understanding of the program.

CBP issued a Federal Register Notice to publicly notify the trade community regarding the Trusted Trader Program test on June 16, 2014. 9 pilot participants have been selected and the test will begin after the applicants have been notified and CBP receives confirmation of the intent to participate.

Next Steps

The scope of activities may include the following areas:

- CBP will advise COAC on the development of the future Trusted Trader Program test.
- CBP has requested that the Trusted Trader Subcommittee propose additional C-TPAT Exporter Entity benefits for CBP to consider.
- CBP will advise on the development of trade functions in C-TPAT Portal 2.0 and subsequent releases.